

VZCZCXRO2522
PP RUEHPA
DE RUEHOS #0645/01 1321021
ZNY CCCCC ZZH
P 121021Z MAY 06
FM AMCONSUL LAGOS
TO RUEHC/SECSTATE WASHDC PRIORITY 7130
INFO RUEHZK/ECOWAS COLLECTIVE PRIORITY
RUEHUJA/AMEMBASSY ABUJA PRIORITY 7247
RUEHLO/AMEMBASSY LONDON PRIORITY 0639
RUEHFR/AMEMBASSY PARIS PRIORITY 0407
RUEHRO/AMEMBASSY ROME PRIORITY 1053
RULSDMK/DEPT OF TRANSPORTATION WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 LAGOS 000645

SIPDIS

SIPDIS

DEPT PASS TO EX-IM KVRANICH AND BUBAMADU
TREASURY FOR ASEVERENS AND SRENENDER
USDOC FOR 3317/ITA/OA/KBURRESS
PASS OPIC FOR ZHAN AND MSTUCKART
PASS TDA FOR NCABOT
PASS USTR FOR ASST USTR SLISER

E.O. 12958: DECL: 04/12/2016

TAGS: [EFIN](#) [ECON](#) [EINV](#) [PGOV](#) [PREL](#) [CH](#) [NI](#)

SUBJECT: BRIDGE TO THE PRESIDENCY?

Classified By: Consul General Brian L. Browne for reasons 1.4(b) and (d).

11. (C) Summary: Lagos State Governor Bolaji Tinubu aims to build a 4.3 kilometer-long motorway linking Lekki Peninsula to the Lagos Mainland, not only to reduce traffic congestion in the Lagos Metropolitan Area, but also to increase his political capital in the run-up to the 2007 elections. The project would create thousands of jobs for Lagosians, develop substantial new residential housing and commercial real estate, and improve the road network to ease traffic congestion. End summary.

Background

12. (SBU) Lagos State Governor Tinubu and Lionstone Real Estate Company CEO Amaechi Ndili in conjunction with First Bank, Diamond Bank, ECOBANK, and various international partners, have formed the Missing Link Motorway Development Company (MLMDC) to facilitate the development of a fourth motorway in Lagos. This ambitious plan, named "The Missing Link," would provide road infrastructure over the Lagos Lagoon, creating a motorway connecting Langbasa, Lekki Peninsula to Ikorodu, Lagos Mainland. Currently, residents in Ikorodu or Lekki Peninsula travel one hour or more to reach the Third Mainland Bridge, the only viable route for residents to reach the other side of Lagos. The proposed motorway would create a total loop around Lagos similar to the M25 in London or Beltway 8 in Houston, significantly altering traffic patterns in Lagos. (Note: Lekki is area that Lagos State and many private concerns are focusing their business development and construction efforts. Lionstone recently attracted a USD 200 million investment from the Nanjing Beyond Investment Group of China for developing the Lekki Free Trade Zone. End note.)

13. (SBU) Ndili said stakeholders estimate the creation of 500,000 jobs in Lagos over a five-year period, while the motorway itself would take 24 months to complete. The project involves sand filling and reclamation of a 300 meter-wide strip of land across the Lagos Lagoon, for a lengthy 3.6 kilometers, reclaiming 1200 hectares total from the Lagoon. A minimum of two channels would be left for

continued marine traffic, marine life, and lagoon water flow.

Ndili said he was exploring the possibility of OPIC assistance for the project.

Increasing Tinubu's Political Capital?

14. (C) Governor Tinubu told Ndili this project would significantly raise his political capital and boost his chances for the Presidency. The two aim to close financing on the project in May and commence construction shortly thereafter. Tinubu agreed MLMDC would design, finance, build and transfer the motorway to the Lagos State Government, in return for a concession to develop, manage, and sell the associated real estate development. Ndili said Tinubu authorized 99-year concessions on 500 hectares of land on the Ikorodu and Langbasa ends of the proposed motorway. Additionally, the project promoters intend to construct a Light-Rail link running parallel to the proposed motorway road on either side, allowing Lagos State to earn revenues from ticket sales.

15. (C) Ndili said Tinubu had been an advocate for the Missing Link project since early last year, and they are "90 percent" done in finalizing arrangements. He expects Governor Tinubu to use the project to boost his credentials as election campaigning intensifies in the coming months. Ndili emphasized, however, he believes Tinubu's chances to become president are slim, given Obasanjo's desire to remain in power.

LAGOS 00000645 002 OF 002

Comment

16. (C) This project is very ambitious and will likely run into many difficulties and delays. Work will be slow, cost overruns will be high and, unfortunately, quality of the product will be suspect. The project may not even get off the ground. Nevertheless, that such a grand project is being envisioned demonstrates how vexatious traffic congestion has become in Lagos. Any reduction in traffic congestion would be a welcome development. The project, if completed, would also significantly improve the road network, create employment opportunities, increase revenue for Lagos State government, and open up substantial new areas for commercial and real estate development. This would be a major achievement for Governor Tinubu but would not significantly boost Tinubu's slim chances for the Presidency. However, it would enhance his popularity in Lagos, thus bolstering his ability to help his party hold on to Lagos State in the 2007 election and to perhaps be in contention for a Vice Presidential nomination by his party. End comment.
BROWNE